

James H Woody
President

Kelly Worthington Executive Vice President

August 15, 2012

Filed via ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

RE: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109; GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45

Dear Ms. Dortch:

On August 14, 2012, Robert DeBroux and the undersigned, representing the Western Telecommunications Alliance ("WTA") met with Priscilla Delgado Argeris, Legal Advisor to Commissioner Jessica Rosenworcel to discuss issues in the noted proceedings.

Mr. DeBroux and I spoke specifically about how the Quantile Regression Analysis ("QRA") model, its benchmarks and inputs, continue to provide uncertainty for WTA members and how the projected yearly changes create more unpredictability, which is preventing rural rate-of-return ("ROR") carriers from being able to properly plan to deploy broadband throughout their service territories. We discussed why the QRA should not apply retroactively to past investments, as this will help ROR carriers recover their costs for investments already made. We also discussed why it is appropriate for the Commission not to move forward on the many issues identified in the *Transformation Order's* Further Notice of Proposed Rulemaking (FNPRM) until the concerns with the QRA are fixed and the impacts are known.

Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceedings above.

Sincerely,

<u>/s/ Derrick B. Owens</u> Derrick B. Owens Vice President of Government Affairs

cc: Priscilla Delgado Argeris